BEFORE THE FEDERAL AVIATION ADMINISTRATION WASHINGTON, D.C.

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|---------------------------------------|---|----------------------|
| In the matter of: |) | |
| |) | |
| Notice of Alternative Policy Options |) | Docket FAA-2001-9852 |
| For Managing Capacity at LaGuardia |) | |
| Airport and Proposed Extension of the |) | |
| Lottery Allocation |) | |
| |) | |

PHASE ONE COMMENTS OF AIR TRANSPORT ASSOCIATION OF AMERICA, INC.

The Air Transport Association of America, Inc. ("ATA") submits these comments in response to the request for comments on the proposed extension of the lottery allocation at LaGuardia Airport, 66 Fed. Reg. 31731 (June 12, 2001), hereinafter the "Notice." These comments respond only to what is described in the Notice as "Phase One" of the FAA's plan to address capacity limitations and operational delays at LaGuardia Airport ("LGA"). 66 Fed. Reg. at 31734. We will respond to "Phase Two: Implementation of a Longer-Term Solution" (66 Fed. Reg. at 31735) in a subsequent filing.¹

ATA is the principal trade and service organization of the major scheduled air carriers in the United States.² Its member airlines carry over 600 million passengers and

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¹ ATA has requested a 180 day extension of the Phase Two comment period given the complex economic, operational and legal issues that the proposed longer-term alternatives raise, and because the FAA's decisions in this proceeding will establish agency policy and guide future agency decision-making on these issues as they arise at other airports. For this reason, this proceeding is significant to all of ATA's members, including those that do not serve LGA.

² Airborne Express, Alaska Airlines, Aloha Airlines, America West Airlines, American Airlines, American Trans Air, Atlas Air, Continental Airlines, Delta Air Lines, DHL Airways, Emery Worldwide, Evergreen International, Federal Express, Hawaiian Airlines, Midwest Express Airlines, Northwest Airlines, Polar Air Cargo, Southwest Airlines, Trans World Airlines, United Airlines, United Parcel Service, and US Airways.

more than 25 billion ton-miles of cargo each year. ATA members account for more than 95 percent of the passenger and cargo traffic carried by U.S. scheduled airlines. On behalf of its members, ATA monitors federal regulatory proposals in order to provide formal comment and advice on the effects of such proposals on commercial air service in the United States.

The Notice proposes to extend the present lottery allocation of slot exemptions authorized by the Wendell H. Ford Aviation Investment and Reform Act of the 21st

Century ("AIR-21"). That lottery was conducted on December 4, 2000, pursuant to a procedure established by the FAA to temporarily cap AIR-21 slots and allocate them to interested airlines. Because a limited number of slots are available for redistribution, the Notice also proposes a secondary lottery of those slots pursuant to criteria and procedures similar to those used in the December 2000 lottery. The Notice proposes that the present lottery allocation as augmented by the secondary lottery would remain in place through October 26, 2002. Finally, the Notice leaves open the possibility that the present restrictions on AIR-21 slots could be extended beyond October 26, 2002 if a longer-term solution is not implemented by that date.

ATA does not object to the proposed continuation of the present lottery allocation or the secondary lottery of the available AIR-21 slots.³ In light of the effort to consider a longer-term solution, continuation of the existing temporary cap and allocation is sensible. As the FAA points out, the delay and cancellation problems of 2000 have

Associate members are: Aerovias de Mexico, Air Canada, KLM-Royal Dutch Airlines, and Mexicana de Aviacion.

³ America West does not join in these comments and has submitted its views separately. America West also does not join in ATA's extension request regarding Phase Two.

receded and the present operational environment at LGA appears stable. In fact, the figures cited by the FAA show that the situation has improved somewhat compared to April 2000, pre AIR-21. *See* the Notice, Table 1.

While this improved situation no doubt is due in part to the FAA's temporary cap and lottery allocation, the information contained in Tables 1 and 2 in the Notice also indicate that other factors are at work. For example, there were approximately 3700 more operations in April 2001 than there were in April 2000, yet the number of monthly delays and average daily delays decreased slightly. These statistics suggest that there were multiple forces at work to cause the delays experienced in October 2000 – not just the increased number of operations due to AIR-21 slot exemptions. It is important that these matters, as well as the related policy and legal issues, be fully and carefully considered in Phase Two of this proceeding. Continuing the present temporary cap and allocation will permit the public an opportunity to comment on the Phase Two proposals, and the FAA to carefully and deliberately consider those comments, without undue pressure to take action.

Respectfully submitted,

Air Transport Association of America, Inc.

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